

## City of Detroit


### CITY COUNCIL

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TO: Tyrone C. Scott, Executive Fire Commissioner  
Fire Department

FROM: Irvin Corley, Jr., Fiscal Analysis Director 

DATE: April 17, 2007

RE: 2007-2008 Budget Analysis

Attached is our budget analysis regarding your department's budget for the upcoming 2007-2008 Fiscal Year.

Please be prepared to respond to the issues/questions raised in our analysis during your scheduled hearing. We would then appreciate a written response to the issues/questions at your earliest convenience subsequent to your budget hearing. Please forward a copy of your responses to the Councilmembers and the City Clerk's Office.

Please contact us if you have any questions regarding our budget analysis.

Thank you for your cooperation in this matter.

IC:ss

Attachment

cc: Councilmembers  
Council Divisions  
Auditor General  
Roger Short, Finance Director  
Pamela Scales, Budget Director  
Charleta McInnis, Budget Manager  
Chief Charlene Graham, Fire Department  
Kandia Milton, Mayor's Office

## Fire (24)

### FY 2007-2008 Budget Analysis by the Fiscal Analysis Division

#### Summary

The Fire Department is a General Fund agency. The recommended 2007-2008 General Fund appropriation budget is \$184.8 million, a \$13.96 million increase over the current year's Redbook budget. The department's capital improvement appropriation is \$3.5 million, an increase of \$1.6 million over the current year's budget.

The Fire Department protects life and property through fire, rescue and emergency response services and resources. The department provides pre-hospital medical service and enforces all laws, ordinances and regulations relating to fire prevention and suppression, as well as maintains a high state of emergency management preparedness.

#### 2006-2007 Surplus/Deficit

The Budget Department has projected a \$1.6 million deficit for the Fire Department - \$1.78 million appropriation deficit and a \$172,000 revenue surplus.

#### Overtime

The department has a 2006-2007 overtime budget of \$3.5 million, and approximately \$4.68 million has already been paid out as of March 31, 2007. While the budget has been overspent this is a marked improvement over last year's overtime costs, which showed expenditures of \$6 million against an overtime budget of \$3.6 million.

The 2007-2008 Budget recommends an overtime budget of \$4 million.

#### Personnel and Turnover Savings

Following is information by appropriation comparing FY 2006-2007 budgeted positions, March 31, 2007 filled positions and FY 2007-2008 recommended positions:

<u>Appropriation/Program</u>	<u>Budgeted Positions FY 2006-07</u>	<u>Filled Positions 03/31/2007</u>	<u>Mayor's Budget Positions FY 2007-08</u>	<u>Over/(Under) Actual to 06/07 Budget</u>	<u>Mayor's Recommended Turnover</u>
<b>Fire Department (24):</b>					
240010 Administration General Office	8	10	9	2	\$ -
240020 Admin.-Community Relations	6	6	6	0	\$ -
240030 Admin.-Research & Devel.	5	5	5	0	\$ -
240040 Admin.-Medical Services	5	5	5	0	\$ -
240220 Training Division	8	6	8	(2)	\$ -
<b>00064 Executive Management</b>	<b>32</b>	<b>32</b>	<b>33</b>	<b>0</b>	<b>\$ -</b>



<u>Appropriation/Program</u>	<u>Budgeted Positions FY 2006-07</u>	<u>Filled Positions 03/31/2007</u>	<u>Mayor's Budget Positions FY 2007-08</u>	<u>Over/(Under) Actual to 06/07 Budget</u>	<u>Mayor's Recommended Turnover</u>
<b>Fire Department (24):</b>					
240240 Fire Marshal-Administration	17	19	17	2	\$ -
240250 Fire Marshal-Inspection	10	13	10	3	\$ -
240260 Fire Marshal-Arson Invest.	18	19	18	1	\$ -
240290 Fire Marshal-General Office	4	2	4	(2)	\$ -
<b>00065 Ordinance Enforcement</b>	<b>49</b>	<b>53</b>	<b>49</b>	<b>4</b>	<b>\$ -</b>
240320 EMS Administration	24	24	24	0	\$ -
240340 EMS Field Operations	273	245	273	(28)	\$ 1,229,875
240350 EMS Training	3	17	3	14	\$ -
<b>00067 Emergency Medical Service</b>	<b>300</b>	<b>286</b>	<b>300</b>	<b>(14)</b>	<b>\$ 1,229,875</b>
240103 Apparatus-Administration	2	2	0	0	\$ -
240105 Apparatus-Repair	2	3	2	1	\$ -
240110 Apparatus-Stores	1	1	1	0	\$ -
<b>00715 Vehicle Management &amp; Supply</b>	<b>5</b>	<b>6</b>	<b>3</b>	<b>1</b>	<b>\$ -</b>
240191 Fire Fighting-Administration	32	33	32	1	\$ -
240195 Fire Fighting Operations	1,037	1,036	1,037	(1)	\$ -
240205 Marine Operations - Fireboat	3	0	3	(3)	\$ -
240215 Airport Operations-Crash Crew	11	11	11	0	\$ -
<b>00718 Fire Fighting Operations</b>	<b>1,083</b>	<b>1,080</b>	<b>1,083</b>	<b>(3)</b>	<b>\$ -</b>
240065 Fire Communication-Admin.	4	4	4	0	\$ -
240075 Fire Communication-Dispatch	27	27	27	0	\$ -
<b>00760 Communication System Support</b>	<b>31</b>	<b>31</b>	<b>31</b>	<b>0</b>	<b>\$ -</b>
241000 Fire Fighting-Casino Mun. Svc.	21	0	21	(21)	\$ -
241010 Fire Marshal-Casino Mun. Svc.	7	0	7	(7)	\$ -
241015 EMS Casino Municipal Svc.	8	0	8	(8)	\$ -
<b>10151 Casino Municipal Service</b>	<b>36</b>	<b>0</b>	<b>36</b>	<b>(36)</b>	<b>\$ -</b>
<b>10580 Emergency Management</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>\$ -</b>
24XXXX Leave of Absence	0	(9)	0	(9)	\$ -
24XXXX Worker's Comp.	0	(13)	0	(13)	\$ -
24XXXX Unmatched Positions	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>\$ -</u>
	<b><u>1,536</u></b>	<b><u>1,466</u></b>	<b><u>1,535</u></b>	<b><u>(70)</u></b>	<b><u>\$ 1,229,875</u></b>

#### Proposed Layoffs and Vacant Position Reductions

The recommended budget proposes an increase in uniform positions of 1 and a reduction in civilian positions of 2 for a net decrease of 1. A new Second Deputy Fire Commissioner is being recommended for a total of 3. The Superintendent and Assistant Superintendent of Fire Apparatus are being shifted from the Fire Department's Budget to General Services as the function of fire vehicle repair is moved to GSD.

Although there is no net loss in Fire Fighting Operations, a Captain, two Lieutenants and 4 Fire Engine Operators are being cut and 5 Firefighter drivers and 2 Firefighters are being added.

While there are currently 28 vacancies in EMS Operations, it is assumed that 15 will remain vacant for at least 6 months, which allows for the turnover savings of \$1.22 million to be taken.

#### Significant Funding by Appropriation

Of the \$13 million appropriation increase, \$3.8 million is in salaries and wages. The 10% cut is restored to the civilian employees and the wage increases of 8% won by the police officers have been budgeted for the fire fighters, as the assumption is that parity will be awarded to the other uniform unions. The employee benefits increase by \$5.3 million, mainly due to pension factor increases, some healthcare cost increases and almost \$1.6 million due to an increase in the unused sick leave payouts. Operating Supplies are decreasing by \$1 million with the bulk of those funds shifting to GSD for apparatus. Operating Services are up \$1.5 million and at least half of that is due to utility costs.

#### **Fire (24)**

Budgeted Professional and Contractual Services by Activity	FY 2006-07 Budget	FY 2007-08 Recommended	Increase (Decrease)
Fire Suppression & Control	\$ 1,360,080	\$ 1,522,822	\$ 162,742
Fire Prevention & Investigation	-	-	-
Physical Health	1,670,800	1,680,800	10,000
<b>Total</b>	<b>\$ 3,030,880</b>	<b>\$ 3,203,622</b>	<b>\$ 172,742</b>

#### Significant Revenue Changes by Appropriation and Source

EMS revenues are projected to increase \$1.33 million in 2007-2008. This is a 9.2 % increase and mirrors the actual revenue for 2005-2006.

Ordinance Enforcement revenues are projected to decrease \$2.7 million to \$1.5 million which is below the 2004-2005 Actuals of \$2.25 million.

DWSD has been paying about \$1 million for overtime for 24-hour haz/mat service from four fire staff. The budgeted revenue under Fire Fighting Operations has increased from \$1.099 million to \$1.2 million.

Fire staffs a specially trained Airport Crash Crew that is also 24/7 and costs \$1.3 million annually to operate. The Airport does not reimburse the general fund for that service.

#### Issues and Questions



1. Appropriation 00065 – Ordinance Enforcement - Object Account 413100 - Safety Inspection Charges: Why is the collection for 05-06 a negative \$552,117? Explain the rationale for increasing the budget from \$1.5 million to \$2.24 million. What is the projected collection amount for the current year?
2. Appropriation 00067 – Emergency Medical Services – Object Accounts 448115; 448145; 448150 -EMS billings – from Redbook to Recommended the increase is \$1.3 million, or 9.28%. The 05-06 budget of \$12.1 million was exceeded by revenues of \$15.6 million, which is what the recommended revenue is for 07-08.
3. What will the ems transport fee structure be for 07-08? Why is it thought that you can only collect at 05-06 levels? Do these numbers reflect actual cash collections or simply the amounts billed?
4. What fees were increased in the current budget year? Are any fee increases planned for 2007-2008? Is the Maximus fee study being used as a basis for fee increases or are changes in fees being determined in a different manner?
5. What are the terms of the current Accu-Med contract? What plans are there, if any to go out for bid?
6. Please breakdown the projected deficit for the current year for both revenues and appropriations.
7. Why are the Supt. and the Asst. Supt. of Fire Apparatus moving from the Fire Dept. this year when all their staff moved to General Services last year?
8. When will the fireboat begin operating for the season?
9. Explain why a Captain, two Lieutenants and 4 Fire Engine Operators are being cut and 5 Firefighter drivers and 2 Firefighters are being added. Why wouldn't any Sergeants be cut as well?
10. Please explain in detail the uses of the capital funds of \$3.5 million, a \$1.6 million increase over last year.